29th March 1961]

APPENDIX V.

[Vide item III (5) on page 125 supra.]

L. A. BILL No. 23 OF 1961.

(As passed by the Assembly.)

A Bill further to amend the Madras Agricultural Income-tax Act, 1955 and to extend that Act to the Added territory in the State of Madras.

WHEREAS it is expedient further to amend the Madras Agricultural Income-tax Act, 1955 (Madras Act V of 1955) for the purposes hereinafter appearing and to extend that Act to the added territory in the State of Madras :

BE it enacted in the Twelfth Year of the Republic of India as follows :—

1. *Short title and commencement.*—(1) This Act may be called the Madras Agricultural Income-tax (Extension to Added Territory) Act, 1961.

(2) It shall come into force on the 1st April 1961.

2. *Definitions.*—In this Act, unless the context otherwise requires—

(*a*) " added territory " means the territory transferred to the State of Madras by the Andhra Pradesh and Madras (Alteration of Boundaries) Act, 1959 (Central Act 56 of 1959);

(*b*) " existing law " means any law, Ordinance, Proclamation, regulation, order, by-law or rule passed or made before the 1st April 1961 by Parliament, or by any Legislature, authority or person having power to make such a law, Ordinance, Proclamation ; regulation order, by-law or rule.

3. *Insertion of new section 2-A in Madras Act V of* 1955.—After section 2 of the Madras Agricultural Income-tax Act, 1955 (Madras Act V of 1955) (hereinafter referred to as the principal Act), the following section shall be inserted, namely :—

" 2-A. *Definition of 'Added Territory'*.—In this Act, unless the context otherwise requires, 'added territory' means the territory transferred to the State of Madras by the Andhra Pradesh and Madras (Alteration of Boundaries) Act, 1959 (Central Act 56 of 1959)."

4. *Amendment of section* 3, *Madras Act V of* 1955.—After the proviso to sub-section (1) of section 3 of the principal Act, the following proviso shall be added, namely :—

" Provided further that the agricultural income or any part of it derived from land in the added territory shall be subject to assessment of agricultural income-tax only from the financial year commencing from the 1st April 1961."

[29th March 1961

5. *Amendment of section* 12, *Madras Act V of* 1955.—After the second proviso to section 12 of the principal Act, the following proviso shall be added, namely :—

" Provided also that in the case of loss sustained from land in the added territory before the 1st April 1961, this section shall apply only to such loss as was sustained in the previous year immediately before that date."

6. *Extension of Madras Act V of* 1955 *to the added territory.*—The principal Act, as in force immediately before the 1st April 1961 in the State of Madras except in the Kanyakumari district and Shencottah taluk of Tirunelveli district and as amended by this Act, is hereby extended to, and shall be in force in, the added territory.

7. *Repeal of corresponding laws.*—If immediately before the 1st April 1961 there is in force in the added territory any law corresponding to the principal Act whether such corresponding law is in force by virtue of section 45 of the Andhra Pradesh and Madras (Alteration of Boundaries) Act, 1959 (Central Act 56 of 1959), or by virtue of any other legislative power, such corresponding law shall, on the 1st April 1961, stand repealed to the extent to which the corresponding law relates to matters with respect to which the State Legislature has power to make laws for the State.

8. *Savings.*—(1) The repeal by section 7 of any corresponding law shall not affect—

(*a*) the previous operation of any such law or anything done or duly suffered thereunder, or

(*b*) any right, privilege, obligation or liability acquired, accrued or incurred under any such law, or

(*c*) any penalty, fofeiture or punishment incurred in respect of any offence committed against any such law, or

(*d*) any investigation, legal proceeding or remedy in respect of any such right, privilege, obligation, liability, penalty, forfeiture or punishment as aforesaid, and any such investigation, legal proceeding or remedy may be instituted, continued or enforced and any such penalty, forfeiture or punishment may be imposed as if this Act had not been passed.

(2) Subject to the provision of sub-section (1), anything done or any action taken including any appointment or delegation made, notification, order, instruction or direction issued, rule, regulation, form, by-law or scheme framed, certificate, permit or licence granted or registration effected under such corresponding law shall be deemed to have been done or taken under the corresponding provision of the Principal Act as now extended to, and in force in, the added territory and shall continue in force accordingly, unless and until superseded by anything done or any action taken under the said principal Act.

29th March 1961]

9. *Construction of references to laws not in force in the added territory.*—(1) Any reference in the principal Act to a law which is not in force in the added territory shall, in relation to that territory, be construed as a reference to the corresponding law, if any, in force in that territory.

(2) Any reference in any existing law which continues to be in force in the added territory after the 1st April 1961 to any law repealed by section 7 shall, in relation to that territory, be construed as a reference to the principal Act.

10. *Construction of references to authorities where new authorities have been constituted.*—Any reference, by whatever form of words, in any existing law to any authority competent at the date of the passing of that law to exercise any powers or discharge any functions in the added territory shall, where a corresponding new authority has been constituted by or under the principal Act now extended to the added territory, have effect as if it were a reference to that new authority.

11. *Powers of courts and other authorities for purposes of facilitating application of the principal Act.*—For the purpose of facilitating the application in the added territory of the principal Act, any court or other authority may construe the said principal Act with such alterations not affecting the substance as may be necessary or proper to adopt it to the matter before the court or other authority.

12. *Repeal of Andhra Pradesh Act XX of* 1957.—The Andhra Pradesh Land Revenue (Surcharge) Act, 1957 (Andhra Pradesh Act XX of 1957), as in force in the added territory, is hereby repealed :

Provided that such repeal shall not affect the previous operation of the said Act or anything already done or suffered or any right, title or obligation or liability already acquired, accrued or incurred or any remedy or proceeding in respect thereof.

13. *Adjustment of surcharge under Andhra Pradesh Act XX of* 1957.—Any surcharge on the land revenue collected from any person under the Andhra Pradesh Land Revenue (Surcharge) Act, 1957 (Andhra Pradesh Act XX of 1957), for the fasli year 1960–61 shall be adjusted towards the agricultural income-tax due from such person under the principal Act as extended by this Act for the financial year 1961–62, and if on such adjustment, the surcharge is in excess, such excess, or if no such adjustment be made, such surcharge, shall be refunded to the person concerned.

14. *Composition of tax for the year* 1960–61.—(1) Notwithstanding anything contained in the principal Act as extended by this Act, any person liable to pay agricultural income-tax under that Act in respect of any agricultural income derived from any land in the added territory other than the land used for growing tea, coffee, rubber, cinchona or cardamom, during the period of

[29th March 1961

twelve months ending on the 31st day of March 1961, may apply to the prescribed officer for permission to compound such agricultural income-tax, and to pay in lieu thereof a lump sum at the rate or rates specified below :

Extent.	*Rate per standard acre.*	
(1)	(2)	
	RS.	NP.
(1) On the first $12\frac{1}{2}$ standard acres	Nil.	
(2) On the next $7\frac{1}{2}$ standard acres	4	50
(3) On the next 10 standard acres	7	50
(4) On the next 10 standard acres	10	00
(5) On the next 10 standard acres	15	00
(6) On the next 50 standard acres	17	50
(7) On the next 50 standard acres	20	00
(8) On the balance of standard acres	25	00

Provided that in the case of every company, the lump sum so payable shall be charged at the maximum rate on the whole of the total extent of the land held by that person.

(2) The Government may make rules as to the circumstances under which, and the manner in which, remission may be granted to persons permitted to compound the agricultural income-tax under sub-section (1).

(3) The provisions of sections 35 and 36 of the principal Act extended by this Act shall, so far as may be, apply in relation to the composition of agricultural income-tax under this section, as they apply in relation to the assessment of agricultural income-tax under the said principal Act.

15. *Power to remove difficulties.*—(1) If any difficulty arises in giving effect to the provisions of this Act or of the principal Act as extended to the added territory by this Act, the State Government as occasion may require, may, by order, do anything which appears to them necessary for the purpose of removing the difficulty.

(2) Every order issued under sub-section (1) shall, as soon as possible after it is issued, be placed on the table of both Houses of the Legislature, and if, before the expiry of the session in which it is so placed or the next session, both Houses agree in making any modification in any such order or both Houses agree that the order should not be issued, the order shall thereafter have effect only in such modified form or be of no effect, as the case may be, so however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that order.

29th March 1961]

FINANCIAL MEMORANDUM.

The Madras Agricultural Income-tax Act, 1955, applies to the whole of Madras State except Kanyakumari district and Shencottah taluk of Tirunelveli district, where the Travancore-Cochin Agricultural Income-tax Act is in force. The present Bill seeks to extend with effect from 1st April 1961 the provisions of the Madras Agricultural Income-tax Act, 1955, to the territories transferred from the Andhra Pradesh State. The existing set up of the Agricultural Income-tax Department will be further strengthened to attend to the work involved in administering the Act in the territories transperred from the Andhra Pradesh State. The strengthening of the existing set up of the Agricultural Income-tax Department is expected to involve an extra cost of about Rs. 10,000 per annum.

MEMORANDUM REGARDING DELEGATED LEGISLATION.

Clause 14 of the Bill empowers the State Government to prescribe the officer to whom the application for permission to compound the agricultural income-tax and to pay in lieu thereof a lump sum at the specified rates and also to make rules as to the circumstances in which and the manner in which remission may be granted to persons permitted to compound the agricultural income-tax. Clause 15 of the Bill empowers the State Government by order to do anything for the purpose of removing any difficulty which may arise in giving effect to the provisions of the Bill when enacted. The powers delegated are normal and not of an exceptional character.